



2025/2216

5.11.2025

COMMISSION IMPLEMENTING REGULATION (EU) 2025/2216

of 4 November 2025

amending Implementing Regulation (EU) 2023/2757 imposing a definitive anti-dumping duty on imports of imports of trichloroisocyanuric acid originating in the People's Republic of China following a partial interim review pursuant to Article 11(3) of Regulation (EU) 2016/1036 of the European Parliament and of the Council

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2016/1036 of the European Parliament and of the Council of 8 June 2016 on protection against dumped imports from countries not members of the European Union ⁽¹⁾ ('the basic Regulation'), and in particular Article 11(3) thereof,

Whereas:

1. PROCEDURE

1.1. Previous investigations and measures in force

- (1) By Regulation (EC) No 1631/2005 ⁽²⁾, the Council imposed definitive anti-dumping duties on imports of trichloroisocyanuric acid ('TCCA') originating in the People's Republic of China ('the PRC' or 'China') and the United States of America ('USA'). The investigation that led to the imposition of the original measures will, hereinafter, be referred to as 'the original investigation'.
- (2) Following an interim review pursuant to Article 11(3) of the basic Regulation, the Council by Implementing Regulation (EU) No 855/2010 ⁽³⁾, lowered the individual duty applicable to Heze Huayi Chemical Co. Ltd. ('Heze Huayi'), from 14,1 % to 3,2 %.
- (3) Following an expiry review of the measures limited to imports of TCCA originating in the PRC ('first expiry review') initiated on 6 October 2010, the Council re-imposed the definitive anti-dumping duties applicable to imports of TCCA originating in China by Implementing Regulation (EU) No 1389/2011 ⁽⁴⁾.

⁽¹⁾ OJ L 176, 30.6.2016, p. 21, ELI: <http://data.europa.eu/eli/reg/2016/1036/oj>.

⁽²⁾ Council Regulation (EC) No 1631/2005 of 3 October 2005 imposing a definitive anti-dumping duty and collecting definitively the provisional duty imposed on imports of trichloroisocyanuric acid originating in the People's Republic of China and the United States of America (OJ L 261, 7.10.2005, p. 1, ELI: <http://data.europa.eu/eli/reg/2005/1631/oj>).

⁽³⁾ Council Implementing Regulation (EU) No 855/2010 of 27 September 2010 amending Regulation (EC) No 1631/2005 imposing a definitive anti-dumping duty on imports of trichloroisocyanuric acid originating, inter alia, in the People's Republic of China (OJ L 254, 29.9.2010, p. 1, ELI: http://data.europa.eu/eli/reg_impl/2010/855/oj).

⁽⁴⁾ Council Implementing Regulation (EU) No 1389/2011 of 19 December 2011 imposing definitive anti-dumping duty on imports of trichloroisocyanuric acid originating in the People's Republic of China following an expiry review pursuant to Article 11(2) of Regulation (EC) No 1225/2009 (OJ L 346, 30.12.2011, p. 6, ELI: http://data.europa.eu/eli/reg_impl/2011/1389/oj).

- (4) On 28 August 2013 and 1 July 2014 respectively, the European Commission ('the Commission') initiated two new exporter reviews pursuant to Article 11(4) of the basic Regulation. By Implementing Regulation (EU) No 569/2014⁽⁵⁾, the Commission imposed an individual duty of 32,8 % on TCCA manufactured by one new Chinese exporting producer⁽⁶⁾. The other Chinese exporting producer⁽⁷⁾ formally withdrew its request during the investigation and consequently the Commission terminated the investigation by Implementing Regulation (EU) 2015/392⁽⁸⁾.
- (5) Following an expiry review ('the second expiry review') initiated on 20 December 2016, the Commission re-imposed definitive anti-dumping measures on imports of TCCA originating in the PRC by Implementing Regulation (EU) 2017/2230⁽⁹⁾.
- (6) The Commission initiated, by Commission Implementing Regulation (EU) 2021/1209⁽¹⁰⁾, three 'new exporter' reviews pursuant to Article 11(4) of the basic Regulation. On 13 April 2022, the investigation was terminated by Commission Implementing Regulation (EU) 2022/619⁽¹¹⁾.
- (7) Following an expiry review (the 'third expiry review') initiated on 5 December 2022, the Commission re-imposed the definitive anti-dumping measures on imports of TCCA originating in the PRC by Implementing Regulation (EU) 2023/2757⁽¹²⁾.
- (8) On 31 March 2023, the Commission initiated, by Implementing Regulation (EU) 2023/712⁽¹³⁾, a 'new exporter' review pursuant to Article 11(4) of the basic Regulation. On 13 December 2023, the investigation was terminated by Commission Implementing Regulation (EU) 2023/2766⁽¹⁴⁾ after the applicant withdrew its request.

⁽⁵⁾ Commission Implementing Regulation (EU) No 569/2014 of 23 May 2014 amending Council Implementing Regulation (EU) No 1389/2011 imposing definitive anti-dumping duty on imports of trichloroisocyanuric acid originating in the People's Republic of China following a new exporter review pursuant to Article 11(4) of Council Regulation (EC) No 1225/2009 (OJ L 157, 27.5.2014, p. 80, ELI: http://data.europa.eu/eli/reg_impl/2014/569/oj).

⁽⁶⁾ Liaocheng City Zhonglian Industry Co. Ltd.

⁽⁷⁾ Juancheng Kangtai Chemical Co. Ltd.

⁽⁸⁾ Commission Implementing Regulation (EU) 2015/392 of 9 March 2015 terminating a new exporter review of Council Implementing Regulation (EU) No 1389/2011 imposing definitive anti-dumping duty on imports of trichloroisocyanuric acid originating in the People's Republic of China, re-imposing the duty with regard to imports from the exporter and terminating the registration of these imports (OJ L 65, 10.3.2015, p. 18, ELI: http://data.europa.eu/eli/reg_impl/2015/392/oj).

⁽⁹⁾ Commission Implementing Regulation (EU) 2017/2230 of 4 December 2017 imposing a definitive antidumping duty on imports of trichloroisocyanuric acid originating in the People's Republic of China following an expiry review pursuant to Article 11(2) of Regulation (EU) 2016/1036 of the European Parliament and of the Council (OJ L 319, 5.12.2017, p. 10, ELI: http://data.europa.eu/eli/reg_impl/2017/2230/oj).

⁽¹⁰⁾ Commission Implementing Regulation (EU) 2021/1209 of 22 July 2021 initiating 'new exporter' reviews of Implementing Regulation (EU) 2017/2230 imposing a definitive anti-dumping duty on imports of trichloroisocyanuric acid originating in the People's Republic of China for three Chinese exporting producers, repealing the duty with regard to imports from these exporting producers and making these imports subject to registration (OJ L 263, 23.7.2021, p. 1, ELI: http://data.europa.eu/eli/reg_impl/2021/1209/oj).

⁽¹¹⁾ Commission Implementing Regulation (EU) 2022/619 of 12 April 2022 terminating the 'new exporter' reviews of Implementing Regulation (EU) 2017/2230 imposing a definitive anti-dumping duty on imports of trichloroisocyanuric acid originating in the People's Republic of China, for three Chinese exporting producers, imposing the duty with regard to these producers' imports and terminating the registration of these imports (OJ L 115, 13.4.2022, p. 66, ELI: http://data.europa.eu/eli/reg_impl/2022/619/oj).

⁽¹²⁾ Commission Implementing Regulation (EU) 2023/2757 of 13 December 2023 imposing a definitive anti-dumping duty on imports of trichloroisocyanuric acid originating in the People's Republic of China following an expiry review pursuant to Article 11(2) of the Regulation (EU) 2016/1036 of the European Parliament and of the Council (OJ L, 2023/2757, 14.12.2023 ELI: http://data.europa.eu/eli/reg_impl/2023/2757/oj).

⁽¹³⁾ Commission Implementing Regulation (EU) 2023/712 of 30 March 2023 initiating a new exporter review of Implementing Regulation (EU) 2017/2230 imposing a definitive anti-dumping duty on imports of trichloroisocyanuric acid originating in the People's Republic of China for one Chinese exporting producer, repealing the duty with regard to imports from that exporting producer and making these imports subject to registration (OJ L 93, 31.3.2023, p. 88, ELI: http://data.europa.eu/eli/reg_impl/2023/712/2023-12-15).

⁽¹⁴⁾ Commission Implementing Regulation (EU) 2023/2766 of 13 December 2023 terminating the new exporter review of Implementing Regulation (EU) 2017/2230 imposing a definitive anti-dumping duty on imports of trichloroisocyanuric acid originating in the People's Republic of China, for a Chinese exporting producer, and terminating the registration of the imports of this exporting producer (OJ L, 2023/2766, 14.12.2023, ELI: http://data.europa.eu/eli/reg_impl/2023/2766/oj).

- (9) The individual anti-dumping duties currently in force on imports of TCCA originating in the PRC range between 3,2 % and 40,5 %. The anti-dumping duty applicable to all other exporting producers amounts to 42,6 %.

1.2. Request for an interim review

- (10) The Commission received a request for a review pursuant to Article 11(3) of the basic Regulation ⁽¹⁵⁾ ('the request').
- (11) The request was lodged on 19 March 2024 by ERCROS S.A. and Electroquímica de Hernani S.A. ('the applicants') on behalf of the Union industry of TCCA in the sense of Article 5(4) of the basic Regulation. The review request was limited in scope to the examination of dumping. The request was based on sufficient evidence provided by the applicants that, as far as dumping is concerned, the circumstances on the basis of which the existing measures were imposed have changed and that these changes are of a lasting nature. In particular, the applicants claimed that since the original investigation there has been a significant growth in the TCCA Chinese industry in terms of the number of the Chinese exporting producers and the existing production capacities of the product concerned. The applicants also claimed that the increased number of Chinese exporting producers, and consequently, the increased Chinese overcapacities have led prices to drop due to intensive competition among them. The applicants provided evidence that, since the original investigation, the average Chinese import price into the Union increased at a lower rate than the Chinese inflation rate for the same period.

1.3. Initiation of an interim review

- (12) On 6 August 2024, the Commission initiated a partial interim review concerning imports of TCCA originating in People's Republic of China ⁽¹⁶⁾ pursuant to Article 11(3) of the basic Regulation. The partial interim review is limited in scope to the examination of dumping.

1.3.1. Comments on initiation

- (13) On 12 September 2024, Hebei Jiheng Chemical Co. Ltd. (the 'Hebei Jiheng Group'), Heze Huayi and Puyang Cleanway Chemicals Co. Ltd. ('Puyang Cleanway'), as the Alliance of TCCA Exporting Producers ('ATEP') submitted comments on the request and the initiation of the review. On 9 December 2024, the applicants provided a reaction to these comments. On 19 December 2024, Hebei Jiheng, Heze Huayi and Puyang Cleanway submitted a response to the applicants' comments.
- (14) The Hebei Jiheng Group, Heze Huayi and Puyang Cleanway claimed that the arguments and data submitted by the applicants 'did not justify the continuation of the review' because there was no sufficient evidence of changes of a lasting nature for the TCCA industry in China.
- (15) They further claimed that, in case the review was allowed to proceed, its scope should cover a recalculation of the injury margin as well.

⁽¹⁵⁾ Footnote 1.

⁽¹⁶⁾ Notice of initiation of a partial interim review of the anti-dumping measures applicable to imports of trichloroisocyanuric acid originating in People's Republic of China (OJ C, C/2024/4917, 6.8.2024, ELI: <http://data.europa.eu/eli/C/2024/4917/oj>).

- (16) The Commission considered that the interim review request included sufficient evidence that the circumstances concerning dumping have changed significantly as required by Article 11(3) of the basic Regulation to justify the initiation of an interim review. The Commission recalled that the standard to initiate an interim review pursuant to Article 11(3) is lower than for imposing definitive measures, for the latter, it assessed the lasting nature of the changes during the investigation, see recitals (119) to (127).
- (17) Regarding the claim that the review should also cover a recalculation of the injury margin, the Commission recalled that there was no evidence on the file supporting the view that the injury margin established in the original investigation was no longer accurate. In particular, the ATEP alleged that the long-term changes in the Chinese TCCA industry should be evaluated in light of their potential impact on the Union industry's price. In addition, it argued that the Union industry has increased its production capacity, its domestic and export sales which allegedly influenced its pricing strategies on both domestic and export markets. Finally, it considered that the Union also implemented strategies that did not exist at the time of the original investigation, notably the 'Transition Pathway for the Chemical Industry' (TPCI).
- (18) However, the Commission found that this claim was unsubstantiated by only relying on a broad claim that the two markets are interconnected and on strategies (the TPCI) that are still to be adopted. The ATEP did neither provide sufficient evidence showing that the injury margin calculated in the original investigation would no longer be needed at its current level to offset the injurious effects of dumping, nor with regard to the data used to calculate this margin. In other words, the interested parties did not provide sufficient evidence justifying the initiation of a review covering the injury, nor was such evidence available to the Commission. Therefore, there was no evidence available to the Commission suggesting that the injury margins established previously were no longer representative of the injury suffered by the EU industry. Therefore, the claim was rejected.

1.4. Review investigation period

- (19) The investigation of dumping covered the period from 1 July 2023 until 30 June 2024 ('review investigation period or RIP').

1.5. Interested parties

- (20) In the Notice of Initiation, interested parties were invited to contact the Commission in order to participate in the investigation. In addition, the Commission specifically informed the known producers, exporters and the authorities of the PRC, known importers, users, as well as associations known to be concerned about the initiation of the interim review, and invited them to participate.
- (21) Interested parties had an opportunity to comment on the initiation of the interim review and to request a hearing with the Commission and/or the Hearing Officer in trade proceedings.

1.6. Sampling

- (22) In order to decide whether sampling was necessary and, if so, to select a sample, the Commission asked all known exporting producers in China and unrelated importers in the Union to provide the information specified in the Notice of Initiation. In addition, the Commission asked the Mission of the People's Republic of China to the European Union to identify and/or contact other exporting producers, if any, that could be interested in participating in the investigation.
- (23) Two exporting producers, the Hebei Jiheng Group and Puyang Cleanway, representing 72 % of the total volume of TCCA exports in the RIP, provided the requested sampling information and agreed to be included in the sample. In view of the low number of cooperating exporting producers, the Commission decided that sampling was not necessary.

- (24) No unrelated importer provided the requested sampling information. The Commission concluded that it was not necessary to sample unrelated importers in this proceeding, either.

1.7. Replies to the questionnaire

- (25) The Commission sent a questionnaire concerning the existence of significant distortions in China within the meaning of Article 2(6a)(b) of the basic Regulation to the government of China ('GOC').
- (26) The Commission sent questionnaires to the Hebei Jiheng Group and Puyang Cleanway. The same questionnaires had also been made available online on the day of the initiation ⁽¹⁷⁾.
- (27) After the verification of the questionnaire reply of the Hebei Jiheng Group, it became evident that the questionnaire reply only covered the consolidated production of two related exporting producers, Hebei Ji Heng Bai Kang Chemical Industry Co., Ltd ('Bai Kang') and Hebei Jiheng Chemical Co. Ltd. ('Jiheng'). The Commission sent separate questionnaires to Bai Kang and Jiheng, requesting a reply on an individual basis.
- (28) The Commission sent a questionnaire to AMIK Italia S.p.A. ('AMIK') an unrelated importer that made itself known, receiving a partial reply. The Commission received an unsolicited partial reply to the questionnaire for unrelated importers from Productos QP, S.A.

1.8. Verification

- (29) The Commission verified the questionnaire reply of the following exporting producers:

Exporting producers in the PRC:

- Hebei Jiheng Chemical Co. Ltd., Hengshui, PRC.
- Puyang Cleanway Chemicals Co. Ltd., Puyang, PRC.

- (30) Further to the submission of separate questionnaire replies, the Commission also carried out remote crosscheck of the following exporting producer:

Exporting producer in the PRC:

- Hebei Ji Heng Bai Kang Chemical Industry Co. Ltd., Haixing, PRC.

1.9. Subsequent procedure

- (31) On 2 September 2025, the Commission disclosed the essential facts and considerations on the basis of which it intended to revise the level of anti-dumping duties. All parties were granted a period within which they could make comments on the disclosure.
- (32) The comments made by interested parties were considered by the Commission and taken into account, where appropriate. The parties who so requested, were granted a hearing.

2. PRODUCT UNDER REVIEW, PRODUCT CONCERNED AND LIKE PRODUCT

2.1. Product under review

- (33) The product under review is the same as in the original investigation and previous expiry reviews namely trichloroisocyanuric acid and preparations thereof, also referred to under the international non-proprietary name (INN) 'symclosene'.

⁽¹⁷⁾ <https://tron.trade.ec.europa.eu/investigations/case-view?caseId=2744>.

2.2. Product concerned

- (34) The product concerned by this investigation is the product under review, originating in the PRC currently falling under CN codes ex 2933 69 80 and ex 3808 94 20 (TARIC codes 2933 69 80 70 and 3808 94 20 20).

2.3. Like product

- (35) As established in the original investigation, as well as in the previous expiry review, this partial interim review investigation confirmed that the following products have the same basic physical, chemical and technical characteristics, as well as the same basic uses:

- the product concerned when exported to the Union,
- the product under review produced and sold by the exporting producers on the domestic market of the PRC,
- the product under review produced and sold by the exporting producers to the rest of the world, and
- the product under review produced and sold in the Union by the Union industry.

- (36) The Commission concluded that these products are, therefore, considered to be like products within the meaning of Article 1(4) of the basic Regulation.

3. DUMPING

3.1. Preliminary remarks

- (37) As set out in recital (46), the Commission concluded that it was not appropriate to use domestic prices and costs in China to establish normal value with respect to the imports of TCCA from the PRC, due to the existence of significant distortions within the meaning of point (b) of Article 2(6a) of the basic Regulation. Imports from China continued during the RIP, more than 32 thousand tons of TCCA were imported.
- (38) Consequently, the Commission proceeded to construct the normal value exclusively on the basis of costs of production and sale reflecting undistorted prices or benchmarks, that is, on the basis of corresponding costs of production and sale in an appropriate representative country, in accordance with Article 2(6a)(a) of the basic Regulation.

3.2. Dumping

3.2.1. *Procedure for the determination of the normal value under Article 2(6a) of the basic Regulation for the imports of TCCA originating in the PRC*

- (39) Given the sufficient evidence available at the initiation of the investigation showing with regard to the PRC the existence of significant distortions within the meaning of point (b) of Article 2(6a) of the basic Regulation, the Commission initiated the investigation of dumping on the basis of Article 2(6a) of the basic Regulation.
- (40) In order to obtain information deemed necessary for its investigation with regard to the alleged significant distortions, the Commission sent a questionnaire to the GOC. In addition, in point 5.3.2 of the Notice of Initiation, the Commission invited all interested parties to make their views known, submit information and provide supporting evidence regarding the application of Article 2(6a) of the basic Regulation within 37 days of the date of publication of the Notice of Initiation in the *Official Journal of the European Union*. No questionnaire reply was received from the GOC and no submission on the application of Article 2(6a) of the basic Regulation was received within the deadline. Subsequently, the Commission informed the GOC that it would use facts available within the meaning of Article 18 of the basic Regulation for the determination of the existence of the significant distortions in the PRC.

- (41) In point 5.3.2 of the Notice of Initiation, the Commission also specified that, in view of the evidence available, it had provisionally selected Mexico as an appropriate representative country pursuant to Article 2(6a)(a) of the basic Regulation for the purpose of determining the normal value based on undistorted prices or benchmarks. The Commission further stated that it would examine other, possibly appropriate countries in accordance with the criteria set out in first indent of Article 2(6a) of the basic Regulation.
- (42) On 10 January 2025, the Commission informed interested parties by a note ⁽¹⁸⁾ ('the First Note') on the relevant sources it intended to use for the determination of the normal value. In the First Note, the Commission provided a list of all factors of production such as raw materials, labour and energy used in the production of TCCA. In addition, based on the criteria guiding the choice of undistorted prices or benchmarks, the Commission identified possible representative countries, namely Mexico and Indonesia. The Commission received comments from the Hebei Jiheng Group and Puyang Clenway, as well as the applicants.
- (43) On 5 March 2025, after having analysed the comments received, the Commission issued a Second Note ⁽¹⁹⁾ on the sources for the determination of the normal value ('the Second Note'). In the Second Note, the Commission informed interested parties about the relevant sources intended for the determination of the normal value using Indonesia as the representative country under Article 2(6a)(a), first indent of the basic Regulation. It also informed interested parties that it would establish selling, general and administrative costs and profits based on publicly available financial statements of P.T. Pindo Deli ('Pindo Deli'), a TCCA producer in Indonesia. The Commission invited interested parties to comment on the Second Note. Comments were received from the Hebei Jiheng Group and Puyang Clenway. The arguments of the parties are addressed in Section 3.2.2.4 below.

3.2.2. Normal value

- (44) According to Article 2(1) of the basic Regulation, *'the normal value shall normally be based on the prices paid or payable, in the ordinary course of trade, by independent customers in the exporting country'*.
- (45) However, according to Article 2(6a)(a) of the basic Regulation, *'in case it is determined [...] that it is not appropriate to use domestic prices and costs in the exporting country due to the existence in that country of significant distortions within the meaning of point (b), the normal value shall be constructed exclusively on the basis of costs of production and sale reflecting undistorted prices or benchmarks', and 'shall include an undistorted and reasonable amount of administrative, selling and general costs and for profits'* ('administrative, selling and general costs' is referred hereinafter as 'SG&A').
- (46) As further explained below, the Commission concluded in the present investigation that, based on the evidence available, and in view of the lack of cooperation of the GOC and comments by the exporting producers on this issue, the application of Article 2(6a) of the basic Regulation was appropriate.

3.2.2.1. Existence of significant distortions

- (47) The Commission examined the evidence on the file to decide whether significant distortions within the meaning of Article 2(6a)(b) of the basic Regulation exist in the PRC, rendering the use of domestic prices and costs in that country inappropriate. The analysis covered the following evidentiary elements of the various criteria relevant to establishing the existence of significant distortions.
- (48) First, the evidence in the request included the following elements pointing to the existence of significant distortions.

⁽¹⁸⁾ Note on sources for the determination of the normal value (First FOP note), t25.000559.

⁽¹⁹⁾ Note on sources for the determination of the normal value (Second FOP note), t25.003076.

- (49) The applicant noted that significant distortions exist with respect to all the elements of the cost of production of TCCA. Furthermore, the applicant argued that the situation which was prevailing at the time of the Commission's most recent expiry review regarding imports of TCCA in China ⁽²⁰⁾ has not changed.
- (50) Specifically, the applicant argued that the Chinese market of the product under review is served by enterprises operating under the ownership, control or policy supervision or guidance of the Chinese authorities. With regard to this, the applicant remarked that many producers of the product under review are fully or partially State-owned. Additionally, it also noted that the Chinese Communist Party ('CCP') interferes in the decision-making of private entities, exercising a de facto control on their activity ⁽²¹⁾.
- (51) The applicant also argued that Chinese state presence in TCCA producers allows the state to interfere with respect to prices and costs. It reaffirmed the state interference, not only through SOEs but also through CCP members in managerial positions of private companies. In fact, the applicant noted that state interference is evidenced in all factors of production of the product under review ⁽²²⁾.
- (52) Additionally, the applicant noted that the raw materials used in the manufacturing of TCCA are organic and inorganic chemicals. With regard to this, it stated that the chemical sector is among those particularly promoted by the GOC ⁽²³⁾. This is due to its drive for self-sufficiency, and incentive to create high value-added products, for example TCCA. The applicant also noted that other countries have also stated the existence of subsidisation of TCCA in China which has characterised the market since 2012.
- (53) The applicant noted that distortions affect also energy, labour and machinery used to produce the product under review. The applicant also indicated that the Commission Staff Working Document on Significant Distortions in the Economy of the People's Republic of China for the purposes of Trade Defence Investigations ('the Report') mentioned that over 50 % of the energy suppliers are State-owned, and that the transmission's grid is fully owned by two SOEs ⁽²⁴⁾. Moreover, it pointed out past cases in which the Commission noted the distortions of energy prices in the chemical sector. Additionally, the Commission found that upstream sectors of the product under review, including the chemical sector, are affected by distortions of wage costs both directly and indirectly ⁽²⁵⁾. Additionally, the applicant stated that certain domestic enterprises and foreign invested enterprises are exempted from VAT and tariffs on imported equipment. Such programme aims at encouraging foreign investments and introducing advanced equipment from abroad to upgrade industrial technology ⁽²⁶⁾.
- (54) The applicant pointed out other significant distortions, such as income tax deductions. For example, according to Article 33 of the Chinese Enterprise Income Tax Law, enterprises that manufacture products that are in line with State Industrial Policy and involve synergistic utilisation of resources, may be entitled to a tax reduction. The applicant noted that all strategic sectors can benefit from such provisions and considering that the chemical sector has been identified as a key sector, chemical producers, and TCCA producers specifically, can benefit from such tax advantage.

⁽²⁰⁾ Implementing Regulation (EU) 2023/2757, recitals 97-99 and 113-114.

⁽²¹⁾ Implementing Regulation (EU) 2023/2757, recitals 66-73.

⁽²²⁾ Implementing Regulation (EU) 2023/2757, recitals 69-73.

⁽²³⁾ Implementing Regulation (EU) 2023/2757, recitals 66-57.

⁽²⁴⁾ Commission Staff Working Document on Significant Distortions in the Economy of the People's Republic of China for the purposes of Trade Defence Investigations, SWD (2024) 91 of 10 April 2024, p. 217-235.

⁽²⁵⁾ Commission Implementing Regulation (EU) 2023/2180 of 16 October 2023 amending Implementing Regulation (EU) 2021/607 imposing a definitive anti-dumping duty on imports of citric acid originating in the People's Republic of China as extended to imports of citric acid consigned from Malaysia, whether declared as originating in Malaysia or not, following a new exporter review pursuant to Article 11(4) of Regulation (EU) 2016/1036 of the European Parliament and of the Council (OJ L, 2023/2180, 17.10.2023, ELI: http://data.europa.eu/eli/reg_impl/2023/2180/oj), recital 121.

⁽²⁶⁾ Catalogue of Encouraged Industries for Foreign Investment (2020).

- (55) Furthermore, the applicant indicated that the Chinese authorities maintain public policies or measures discriminating in favour of domestic suppliers or otherwise influencing free market forces. The applicant also argued that the 14th FYP on raw materials promotes production capacity increase in the urea, ammonium phosphate, calcium carbide, caustic soda and yellow phosphorus sectors. It also pointed out that caustic soda, one of the main raw materials for manufacturing the product under review, is listed in the 2019 Guiding Catalogue for Industry Structural Adjustment among the controlled industries ⁽²⁷⁾.
- (56) The applicant also underlined the lack, discriminatory or inadequate enforcement of bankruptcy, corporate or property laws. As already highlighted in the third expiry review, the Chinese's system is still characterised by a systematic under-enforcement of bankruptcy law and strong involvement of the state in insolvency proceedings ⁽²⁸⁾.
- (57) The request also underlined that the wage costs in China are distorted in general and specifically in the TCCA sector. The applicant remarked that the labour market in the PRC does not operate on market-based wages, as it has not ratified a number of essential ILO conventions ⁽²⁹⁾.
- (58) Finally, the applicant noted that significant distortions are also present in relation to access to finance granted by institutions which implement public policy objectives or otherwise not acting independently from the State. It remarked that SOBs operate according to public policy objectives, and not according to the economic viability of the economic operators. As already noted in the most recent expiry review, even private commercial banking decisions must be supervised by the CCP and remain in line with national policies. It also remarked that borrowing costs have been kept artificially low to stimulate investment growth. Artificially low interest rates result in under-pricing, and consequently, the excessive utilisation of capital.
- (59) Second, in recent investigations concerning the chemical sector in the PRC ⁽³⁰⁾, the Commission found that significant distortions in the sense of Article 2(6a)(b) of the basic Regulation were present. In those investigations, the Commission found that there is substantial government intervention in the PRC resulting in a distortion of the effective allocation of resources in line with market principles ⁽³¹⁾. In particular, the Commission concluded that in the chemical sector, not only does a substantial degree of ownership by the GOC persist in the sense of Article 2(6a)(b), first indent of the basic Regulation ⁽³²⁾ but the GOC is also in a position to interfere with prices and

⁽²⁷⁾ Implementing Regulation (EU) 2023/2757, recitals 74-80.

⁽²⁸⁾ Implementing Regulation (EU) 2023/2757, recitals 92-93.

⁽²⁹⁾ Implementing Regulation (EU) 2023/2757, recitals 85-86.

⁽³⁰⁾ Commission Implementing Regulation (EU) 2024/1959 of 17 July 2024 imposing a provisional anti-dumping duty on imports of erythritol originating in the People's Republic of China (OJ L, 2024/1959, 19.7.2024, ELI: http://data.europa.eu/eli/reg_impl/2024/1959/oj); Implementing Regulation (EU) 2023/2180; Commission Implementing Regulation (EU) 2023/752 of 12 April 2023 imposing a definitive anti-dumping duty on imports of sodium gluconate originating in the People's Republic of China following an expiry review pursuant to Article 11(2) of Regulation (EU) 2016/1036 (OJ L 100, 13.4.2023, p. 16, ELI: http://data.europa.eu/eli/reg_impl/2023/752/oj); Commission Implementing Regulation (EU) 2021/441 of 11 March 2021, imposing a definitive anti-dumping duty on imports of sulphanilic acid originating in the People's Republic of China following an expiry review pursuant to Article 11(2) of Regulation (EU) 2016/1036 (OJ L 85, 12.3.2021, p. 154, ELI: http://data.europa.eu/eli/reg_impl/2021/441/oj).

⁽³¹⁾ Implementing Regulation (EU) 2024/1959, recitals 161-162; Implementing Regulation (EU) 2023/2180, recitals 89-90; Implementing Regulation (EU) 2023/752, recital 70; Implementing Regulation (EU) 2021/441, recital 99.

⁽³²⁾ Implementing Regulation (EU) 2024/1959 recitals 103-113; Implementing Regulation (EU) 2023/2180, recitals 46-50; Implementing Regulation (EU) 2023/752, recital 49, Implementing Regulation (EU) 2021/441, recitals 59-65.

costs through State presence in firms in the sense of Article 2(6a)(b), second indent of the basic Regulation ⁽³³⁾. The Commission found further that the State's presence and intervention in the financial markets, as well as in the provision of raw materials and inputs further have an additional distorting effect on the market. Indeed, overall, the system of planning in the PRC results in resources being driven to sectors designated as strategic or otherwise politically important by the GOC, rather than being allocated in line with market forces ⁽³⁴⁾. Moreover, the Commission concluded that the Chinese bankruptcy and property laws do not work properly in the sense of Article 2(6a)(b), fourth indent of the basic Regulation, thus generating distortions in particular when maintaining insolvent firms afloat and when allocating land use rights in the PRC ⁽³⁵⁾. In the same vein, the Commission found distortions of wage costs in the chemical sector in the sense of Article 2(6a)(b), fifth indent of the basic Regulation ⁽³⁶⁾, as well as distortions in the financial markets in the sense of Article 2(6a)(b), sixth indent of the basic Regulation, in particular concerning access to capital for corporate actors in the PRC ⁽³⁷⁾.

- (60) Third, in the most recent expiry review concerning the product under review ⁽³⁸⁾ the Commission concluded that significant distortions within the meaning of point (b) of Article 2(6a) of the basic Regulation were present. No major structural changes in the PRC in general and/or in the relevant sector, capable of affecting that conclusion, are known to the Commission.
- (61) Fourth, additional evidence available in the Report pointed to the existence of significant distortions also during the review investigation period.
- (62) Fifth, no evidence or arguments to the contrary have been adduced by the GOC or the exporting producers in the present investigation.
- (63) In view of the above, the evidence available showed that prices or costs of the product under review, including the costs of raw materials, energy and labour, are not the result of free market forces because they are affected by substantial government intervention within the meaning of Article 2(6a)(b) of the basic Regulation as shown by the actual or potential impact of one or more of the relevant elements listed therein. On that basis, the Commission concluded that it is not appropriate to use domestic prices and costs to establish normal value in this case. Consequently, the Commission proceeded to construct the normal value exclusively on the basis of costs of production and sale reflecting undistorted prices or benchmarks, that is, in this case, on the basis of corresponding costs of production and sale in an appropriate representative country, in accordance with Article 2(6a)(a) of the basic Regulation.

⁽³³⁾ Implementing Regulation (EU) 2024/1959, recitals 114-122; Implementing Regulation (EU) 2023/2180, recitals 51-55; Implementing Regulation (EU) 2023/752, recitals 50-54; Implementing Regulation (EU) 2021/441, recitals 66-68. While the right to appoint and to remove key management personnel in SOEs by the relevant State authorities, as provided for in the Chinese legislation, can be considered to reflect the corresponding ownership rights, CCP cells in enterprises, State-owned and private alike, represent another important channel through which the State can interfere with business decisions. According to Chinese company law, a CCP organisation is to be established in every company (with at least three CCP members as specified in the CCP Constitution) and the company shall provide the necessary conditions for the activities of the party organisation. In the past, this requirement appears not to have always been followed or strictly enforced. However, since at least 2016 the CCP has reinforced its claims to control business decisions in SOEs as a matter of political principle. The CCP is also reported to exercise pressure on private companies to put 'patriotism' first and to follow party discipline. In 2017, it was reported that party cells existed in 70 % of some 1,86 million privately owned companies, with growing pressure for the CCP organisations to have a final say over the business decisions within their respective companies. These rules are of general application throughout the Chinese economy, across all sectors, including to the producers of the product under review and the suppliers of their inputs.

⁽³⁴⁾ Implementing Regulation (EU) 2024/1959, recitals 123-133; Implementing Regulation (EU) 2023/2180, recitals 56-65; Implementing Regulation (EU) 2023/752, recitals 55-63; Implementing Regulation (EU) 2021/441, recitals 69-79.

⁽³⁵⁾ Implementing Regulation (EU) 2024/1959, recitals 134-138; Implementing Regulation (EU) 2023/2180, recitals 66-69; Implementing Regulation (EU) 2023/752, recital 64; Implementing Regulation (EU) 2021/441, recitals 80-83.

⁽³⁶⁾ Implementing Regulation (EU) 2024/1959, recitals 139-142; Implementing Regulation (EU) 2023/2180, recitals 71-72; Implementing Regulation (EU) 2023/752, recital 65; Implementing Regulation (EU) 2021/441, recitals 84-85.

⁽³⁷⁾ Implementing Regulation (EU) 2024/1959, recitals 143-152; Implementing Regulation (EU) 2023/2180, recitals 72-81; Implementing Regulation (EU) 2023/752, recital 66; Implementing Regulation (EU) 2021/441, recitals 86-95.

⁽³⁸⁾ Implementing Regulation (EU) 2023/2757.

3.2.2.2. Representative country

- (64) The choice of the representative country was based on the following criteria pursuant to Article 2(6a) of the basic Regulation:
- A level of economic development similar to the PRC. For this purpose, the Commission used countries with a gross national income per capita similar to the PRC on the basis of the database of the World Bank ⁽³⁹⁾,
 - Production of the product under review in that country ⁽⁴⁰⁾,
 - Availability of relevant public data in the representative country,
 - Where there is more than one possible representative country, preference should be given, where appropriate, to the country with an adequate level of social and environmental protection.
- (65) As explained in recitals (42) and (43), the Commission issued two notes for the file on the sources for the determination of the normal value. These notes described the facts and evidence underlying the relevant criteria, and addressed the comments received by the parties on these elements and on the relevant sources. In the Second Note, the Commission informed interested parties of its intention to consider Indonesia as an appropriate representative country in the present case if the existence of significant distortions pursuant to Article 2(6a) of the basic Regulation would be confirmed.

3.2.2.3. A level of economic development similar to the PRC

- (66) In the First Note on production factors, the Commission identified Mexico and Indonesia as countries with a similar level of economic development as the PRC where the product under review was produced according to the World Bank, i.e. they are all classified by the World Bank as 'upper-middle income' countries on a gross national income basis, where production of the product under review was known to take place.
- (67) No comments were received concerning the countries identified in that note.

3.2.2.4. Availability of relevant readily available data in the representative country

- (68) In the First Note, the Commission indicated that for the countries identified as countries where the product under review is being produced, i.e. Mexico and Indonesia, the availability of public data needed to be further verified, in particular in Mexico, with regard to the public financial data for producers of TCCA.
- (69) In Mexico, the Commission identified one company producing the product under investigation, namely ROT Química but could not identify readily available financial data for this company.
- (70) In Indonesia, the Commission identified one company producing the product under investigation, namely Pindo Deli and found readily available audited financial data covering the review investigation period for this company.
- (71) Puyang Cleanway and the Hebei Jiheng Group submitted that Pindo Deli was exclusively involved with paper products and did not produce or sell TCCA or products in the same general category.
- (72) The Commission confirmed that Pindo Deli's main business was paper products manufacturing. This company, however, also had a chemical division producing and selling TCCA. Puyang Cleanway and the Hebei Jiheng Group did not provide any evidence pointing to the contrary.

⁽³⁹⁾ World Bank Open Data – Upper Middle Income, <https://data.worldbank.org/income-level/upper-middle-income>.

⁽⁴⁰⁾ If there is no production of the product under review in any country with a similar level of development, production of a product in the same general category and/or sector of the product under review may be considered.

- (73) In view of the above, the Commission considered Pindo Deli a producer of the product under review in a potential representative country.
- (74) The Hebei Jiheng Group commented that the Commission should disclose the financial data for the individual company, rather than consolidated figures for Pindo Deli and its subsidiaries.
- (75) The Commission noted that no data was publicly available for Pindo Deli separately, due to the consolidation with subsidiaries. Hence, the Commission looked for the closest readily available proxy, including consolidated information of producers active, among others in the sector including the product under review.
- (76) The Hebei Jiheng Group did not provide evidence that the consolidated SG&A costs and profit identified for Pindo Deli would not be appropriate or that they would lead to establishing amounts that were not reasonable. The Commission, therefore, concluded that such data were sufficiently representative and reasonable to be applied for the purposes of the present investigation. Consequently, the Commission rejected the claim of the Hebei Jiheng Group.
- (77) In the light of the above considerations, the Commission informed the interested parties with the Second Note of its intention to use Indonesia as an appropriate representative country and Pindo Deli as the suitable company, in accordance with Article 2(6a)(a), first indent of the basic Regulation in order to source undistorted prices or benchmarks, SG&A costs and profit for the calculation of normal value.
- (78) Interested parties were invited to comment on the appropriateness of Indonesia as a representative country and of Pindo Deli as a producer in the representative country.
- (79) Following the Second Note, Puyang Cleanway and the Hebei Jiheng Group requested the Commission to 'double check' whether the consolidated financial statements of Pindo Deli relied upon by the Commission covered its chemical division or not. They argued that the subsidiaries listed in the financial statement ⁽⁴¹⁾ did not include the company, P. T. Cakrawala Mega Indah, listed under the contacts tab on the website of Pindo Deli ⁽⁴²⁾.
- (80) The Commission complied and found that P. T. Cakrawala Mega Indah was the sales office of the chemical division of Pindo Deli, and, hence, an integral part of Pindo Deli, and, as such, covered by the financial statements.

3.2.2.5. Level of social and environmental protection

- (81) Having established that Indonesia was the only available appropriate representative country, based on all of the above elements, there was no need to carry out an assessment of the level of social and environmental protection in accordance with the last sentence of Article 2(6a)(a) first indent of the basic Regulation.

3.2.2.6. Conclusion

- (82) In view of the above analysis, Indonesia met the criteria laid down in Article 2(6a)(a), first indent of the basic Regulation in order to be considered as an appropriate representative country.

3.2.2.7. Sources used to establish undistorted costs

- (83) In the First Note, the Commission listed the factors of production such as materials, energy and labour used in the production of the product under review by the exporting producers and invited the interested parties to comment and propose publicly available information on undistorted values for each of the factors of production mentioned in that note.

⁽⁴¹⁾ P. T. Pindo Deli Consolidated Financial Statements With Independent Auditor's Report, pg. 11-12, Investor | APP Group.

⁽⁴²⁾ <https://app.co.id/in/-/pindo-deli-chemical>.

- (84) Subsequently, in the Second Note, the Commission stated that, in order to construct the normal value in accordance with Article 2(6a)(a) of the basic Regulation, it would use the Global Trade Atlas ('GTA') ⁽⁴³⁾ to establish the undistorted cost of raw materials. In addition, the Commission stated that it would use the data published by the Badan Pusat Statistik for establishing undistorted costs of labour ⁽⁴⁴⁾, prices published by the Perusahaan Listrik Negara for electricity ⁽⁴⁵⁾ and data by the Ministry of Energy and Mineral Resources for gas ⁽⁴⁶⁾.
- (85) In the Second Note, the Commission also informed interested parties that due to the negligible weight of some of the raw materials in the total cost of production, these negligible items were grouped under 'consumables'. Further, the Commission informed that it would calculate the percentage of the consumables on the total cost of raw materials and apply this percentage to the recalculated cost of raw materials when using the established undistorted benchmarks in the appropriate representative country.

3.2.2.8. Factors of production

- (86) Considering all the information in the request for review and subsequent information submitted by interested parties, the following factors of production and their sources have been identified in order to determine the normal value in accordance with Article 2(6a)(a) of the basic Regulation:

Table 1

Factors of production of TCCA

Factor of Production	Commodity Code in Indonesia	Undistorted value (CNY)	Unit of measurement	Source of information
Raw materials				
Cyanuric acid	Not found in the Indonesian nomenclature.	12,55	KG	Constructed based on the price of urea from GTA (IHS Markit) ⁽⁴⁷⁾
Urea	310210	5,28	KG	GTA (IHS Markit)
Chlorine	28110	4,08	KG	GTA (IHS Markit)
Liquid Caustic Soda	281512	2,60	KG	GTA (IHS Markit)
Raw Salt	25010093	0,34	KG	GTA (IHS Markit)
Hydrogen	280410	0,95	KG	GTA (IHS Markit)
Sulfuric acid	28070010	0,30	KG	GTA (IHS Markit)
Consumables				
Labour				
Labour	N/A	12,62	Hours	Badan Pusat Statistik ⁽⁴⁸⁾

⁽⁴³⁾ <https://connect.ihsmarkit.com/gtas/gta/standard-reports>.

⁽⁴⁴⁾ <https://www.bps.go.id/id/statistics-table/1/MjI1MyMx/rata-rata-upah-gaji-bersih-sebulan--rupiah--buruh-karyawan-pegawai-menurut-provinsi-dan-lapangan-pekerjaan-utama-di-17-sektor--2024.html>.

⁽⁴⁵⁾ Tarif Adjustment, <https://web.pln.co.id/pelanggan/tarif-tenaga-listrik/tariff-adjustment#:~:text=Tahun%202024.%20Januari%20%E2%80%93%20Maret%20April>.

⁽⁴⁶⁾ Keputusan Menteri Energi dan Sumber Daya Mineral Nomor 91.K/MG.01/MEM.M/2023, <https://jdih.esdm.go.id/dokumen/view?id=2380>.

⁽⁴⁷⁾ See footnote 43.

⁽⁴⁸⁾ See footnote 44.

Factor of Production	Commodity Code in Indonesia	Undistorted value (CNY)	Unit of measurement	Source of information
Energy				
Electricity	N/A	0,66	kWh	Perusahaan Listrik Negara ⁽⁴⁹⁾
Gas	N/A	1,62	m ³	Ministry of Energy and Mineral Resources ⁽⁵⁰⁾

- (87) The Hebei Jiheng Group and Puyang Cleanway submitted that the import price of urea in Indonesia was neither representative nor reasonable, because it varied significantly and approximately 88 % of Indonesia's total urea imports originated from the PRC distorting domestic prices. In addition, the Hebei Jiheng Group argued that the Indonesian import price of urea was distorted due to government subsidies and export controls.
- (88) The Commission rejected the argument of the Hebei Jiheng Group, because it calculated the Indonesian import price of urea based on the weighted average of different countries of origin. Weighting by volume dampened the eventual effect of the variations in the price that the Hebei Jiheng Group claimed as distorting. Contrary to the claim of the Hebei Jiheng Group, the Commission excluded imports from the PRC when calculating the undistorted import price in Indonesia. The indirect effect of PRC imports on the price of Indonesian urea-based fertilisers was negligible, since the domestic market was dominated by Indonesian production, mainly by P.T. Pupuk Indonesia ⁽⁵¹⁾. The Commission found that less than 1 % of the total Indonesian fertiliser market was subsidised ⁽⁵²⁾, hence the amount of subsidised urea was too insignificant to distort prices in the domestic market. Contrary to the claim of the Hebei Jiheng Group that export controls distorted the Indonesian urea market, the Commission found that export restrictions in Indonesia were only applicable to subsidised fertilisers, including urea.
- (89) The Commission rejected the argument of Puyang Cleanway, because the company did not use urea for the manufacture of TCCA.
- (90) Puyang Cleanway argued that the benchmark price for cyanuric acid was neither reasonable nor representative, because the import price in India, used as the benchmark, covered a significant amount of chlorinated isocyanurates, including TCCA, the product under review. Puyang Cleanway proposed constructing the benchmark price for cyanuric acid based on the verified consumption ratio of urea by the Hebei Jiheng group, that produced it.
- (91) The Commission accepted this claim. Hence, the benchmark for cyanuric acid was constructed on the basis of the verified consumption ratio of Jiheng to which the benchmarks reported in Table 1 were applied. The Commission then added the SG&A costs and profit of Pinto Deli to calculate an undistorted price. Considering that Pinto Deli is involved in the production of TCCA and other chemical products belonging to the same NACE Code (20.1) as urea, such as caustic soda, chlorine and ammonium sulphate, the SG&A costs and profit of this company were considered reasonable.
- (92) Puyang Cleanway argued that the benchmark price for chlorine was neither reasonable nor representative, because, due to its hazardous chemical nature, Indonesia instituted regulatory and import controls that 'may have resulted in disproportionately high import costs and significant market price distortions'. Puyang Cleanway proposed to construct the benchmark price for chlorine based on the verified consumption ratio used by Jiheng, that produced it.

⁽⁴⁹⁾ See footnote 45.

⁽⁵⁰⁾ See footnote 46.

⁽⁵¹⁾ <https://www.pupuk-indonesia.com/media-info/103/detail>.

⁽⁵²⁾ <https://www.mordorintelligence.com/industry-reports/fertilizers-market-indonesia>.

- (93) The Commission rejected the argument, because it found that stringent regulation and control of the sale of chlorine and its derivatives was not specific to Indonesia, but a general feature of the market ⁽⁵³⁾. Regulatory compliance is already a built-in element of the international and domestic pricing of chlorine.

3.2.2.9. Raw materials used in the production process

- (94) Jiheng is an integrated manufacturer producing the main input materials of TCCA (cyanuric acid, chlorine and caustic soda) from urea and industrial raw salt. Other exporting manufacturers purchase cyanuric acid, chlorine and caustic soda, in order to manufacture TCCA.
- (95) In order to establish the undistorted price of raw materials, as delivered at the gate of a representative country producer, the Commission used as a basis the weighted average import price to the representative country, as reported in the GTA, to which import duties and transport costs were added. An import price in the representative country was determined as a weighted average of unit prices of imports from all third countries excluding the PRC and countries which are not members of the WTO, listed in Annex 1 to Regulation (EU) 2015/755 of the European Parliament and the Council ⁽⁵⁴⁾. The Commission decided to exclude imports from the PRC into the representative country as it concluded in recital (63) that it was not appropriate to use domestic prices and costs in the PRC due to the existence of significant distortions in accordance with Article 2(6a)(b) of the basic Regulation. Given that there was no evidence showing that the same distortions did not equally affect products intended for export, the Commission considered that the same distortions affected export prices. After excluding imports from the PRC into the representative country, the volume of imports from other third countries remained representative.
- (96) As explained in recital (90) and (91), the Commission constructed the benchmark for cyanuric acid based on the consumption ratios of Jiheng, to which the benchmarks reported in Table 1 were applied.
- (97) For several factors of production, the actual costs incurred by the cooperating exporting producers represented a negligible share of total raw material costs in the review investigation period. As the value used for these had no appreciable impact on the dumping margin calculations, regardless of the source used, the Commission decided to include those costs into consumables as explained in the recital (85).
- (98) The Commission expressed the transport cost incurred by the cooperating exporting producers for the supply of raw materials as a percentage of the actual cost of such raw materials and then applied the same percentage to the undistorted cost of the same raw materials in order to obtain the undistorted transport cost. The Commission considered that, in the context of this investigation, the ratio between the exporting producer's raw material and the reported transport costs could be reasonably used as an indication to estimate the undistorted transport costs of raw materials when delivered to the company's factory.

3.2.2.10. Labour

- (99) The Badan Pusat Statistik (the Central Agency of Statistics) publishes information on wages in different economic sectors in Indonesia. The Commission used an average of the wages in the manufacturing sector for the month of February 2023 and February 2024, the only available data, in the province of West Java, where Pindo Deli was located. The amount of withholding tax, health and pension contribution was added to the hourly wage to approximate the total labour cost disbursed by the employer ⁽⁵⁵⁾.

⁽⁵³⁾ See the Chlorine Substance Info Card by the European Chemicals Agency for an example of EU regulatory measures. <https://www.echa.europa.eu/substance-information/-/substanceinfo/100.029.053>.

⁽⁵⁴⁾ Regulation (EU) 2015/755 of the European Parliament and of the Council of 29 April 2015 on common rules for imports from certain third countries (OJ L 123, 19.5.2015, p. 33, ELI: <http://data.europa.eu/eli/reg/2015/755/oj>). Article 2(7) of the basic Regulation considers that domestic prices in those countries cannot be used for the purpose of determining normal value.

⁽⁵⁵⁾ See footnote 44.

3.2.2.11. Electricity

- (100) The price of electricity for industrial users in Indonesia is published by the National Electricity Company (Perusahaan Listrik Negara, 'PLN') on its website ⁽⁵⁶⁾. The Commission used the electricity price statistics published by the PLN, namely industrial electricity prices in kWh for users consuming in the range between 200 and 6 600 kVA in the review investigation period.

3.2.2.12. Natural gas

- (101) The price of natural gas for industrial users in Indonesia is published by the Ministry of Energy and Natural Resources in a Ministerial Decision. The Commission used the price of gas for industrial users in Indonesia as published by the Ministry of Energy and Natural Resources in its Ministerial Decision 91.K/MG.01/MEM.M/2023. The Commission used industrial gas prices for chemical companies in West Java, where Pindo Deli is located, per m³, covering the review investigation period.

3.2.2.13. Manufacturing overhead costs, SG&A costs and profits

- (102) According to Article 2(6a)(a) of the basic Regulation, *'the constructed normal value shall include an undistorted and reasonable amount for administrative, selling and general costs and for profits'*. In addition, a value for manufacturing overhead costs needs to be established to cover costs not included in the factors of production referred to above.
- (103) The Commission used the data reported in the financial statements of Pindo Deli as the basis for the establishment of the SG&A and profit percentages to construct normal value, see recitals (70) to (80).
- (104) The manufacturing overheads incurred by the cooperating exporting producers were expressed as a share of the costs of manufacturing actually incurred by the exporting producers. This percentage was applied to the undistorted costs of manufacturing.

3.2.2.14. Calculation of the normal value

- (105) On the basis of the above, the Commission constructed the normal value per product type on an ex-works basis in accordance with Article 2(6a)(a) of the basic Regulation.
- (106) First, the Commission established the undistorted manufacturing costs. The Commission applied the undistorted unit costs to the actual consumption of the individual factors of production of the cooperating exporting producers. These consumption ratios provided by Jiheng, Bai Kang and Puyang Cleanway were verified. The Commission multiplied the consumption ratios by the undistorted costs per unit observed in the representative country, Indonesia, as described in Section 3.2.2.7.
- (107) Once the undistorted manufacturing cost was established, the Commission added the manufacturing overheads, SG&A and profit, as set out in recitals (102) to (104). SG&A and profit were determined based on the financial statements of Pindo Deli for the RIP as reported in the company's audited accounts ⁽⁵⁷⁾ (see recital (103)). The Commission added the following items to the undistorted costs of manufacturing:
- SG&A and other costs, accounting for 13,99 % of the Costs of Goods Sold ('COGS') of Pindo Deli, and
 - Profit as achieved by Pindo Deli, amounting to 22,29 % of the COGS, was applied to the total undistorted costs of manufacturing of the cooperating exporting producers.
- (108) On that basis, the Commission constructed the normal value per product type on an ex-works basis in accordance with Article 2(6a)(a) of the basic Regulation.

⁽⁵⁶⁾ See footnote 45.

⁽⁵⁷⁾ See footnote 41.

3.2.3. *Export price*

- (109) Hebei Jiheng Chemical Co. Ltd. ('Jiheng') and Puyang Cleanway Chemicals Co. Ltd ('Puyang Cleanway') exported to the Union directly to independent customers. Hebei Ji Heng Bai Kang Chemical Industry Co., Ltd. ('Bai Kang') exported to the Union through Jiheng, acting as a related trader for all its exports of the product under review to the Union.
- (110) For Jiheng and Puyang Cleanway, exporting the product under review directly to independent customers in the Union, the export price was the price actually paid or payable for the product under review when sold for export to the Union, in accordance with Article 2(8) of the basic Regulation.

3.2.4. *Comparison*

- (111) Article 2(10) of the basic Regulation requires the Commission to make a fair comparison between the normal value and the export price at the same level of trade and to make allowances for differences in factors which affect prices and price comparability. In the case at hand the Commission chose to compare the normal value and the export price of the sampled exporting producers at the ex-works level of trade. As further explained below, where appropriate, the normal value and the export price were adjusted in order to: (i) net them back to the ex-works level; and (ii) make allowances for differences in factors which were claimed, and demonstrated, to affect prices and price comparability.

3.2.4.1. *Adjustments made to the normal value*

- (112) The normal value was established at the ex-works level of trade by using costs of production together with amounts for SG&A and for profit, which were considered to be reasonable for that level of trade. Therefore, no adjustments were necessary to net the normal value back to the ex-works level.

3.2.4.2. *Adjustments made to the export price*

- (113) In order to net the export price back to the ex-works level of trade, adjustments were made on the account of costs related to transportation, insurance, handling and loading, commissions, credit costs and bank charges.
- (114) An adjustment under Article 2(10)(i) was performed for all sales of products manufactured by Bai Kang exported to the EU exclusively through Jiheng. Based on policy documents, the invoices and the rest of the documentation of the transactions the Commission found that Jiheng performed functions similar to those of an agent working on a commission basis. In this context, considering that Jiheng was remunerated for its services by a mark-up, its SG&A costs and a notional profit of 5 % were used to construct the commission for the purpose of the adjustment. The Commission considered that a 5 % profit was a reasonable estimate based on the margin of unrelated importers used in similar cases. Jiheng performed the same functions regarding the domestic sales of Bai Kang, the latter having direct, albeit very limited, export sales outside the EU.

3.2.5. *Dumping margins*

- (115) For the sampled exporting producers, the Commission compared the weighted average normal value of each type of the like product with the weighted average export price of the corresponding type of the product concerned to calculate the dumping margin, in accordance with Article 2(11) and (12) of the basic Regulation.
- (116) A single dumping margin was calculated for the Hebei Jiheng Group, comprising of exporting producers Jiheng and Bai Kang.
- (117) The level of cooperation in this case was low because the exports of the cooperating exporting producers constituted only 72 % of exports to the Union from the PRC during the review investigation period. Therefore, the Commission considered setting the country-wide dumping margin applicable to all other non-cooperating exporting producers at the level of the dumping margin of the product type most exported to the EU by the cooperating exporting producers, namely 201,3 %.

(118) In conclusion, the definitive dumping margins, expressed as a percentage of the CIF Union frontier price, duty unpaid, are as follows:

Company	Definitive Dumping Margin (%)
Hebei Jiheng Group (Hebei Jiheng Chemical Co. Ltd. and Hebei Ji Heng Bai Kang Chemical Industry Co., Ltd)	164,2
Puyang Cleanway Chemicals Co. Ltd.	165,5
All other companies	201,3

3.2.6. *Lasting nature of changed circumstances*

(119) In accordance with Article 11(3) of the basic Regulation, the Commission analysed whether the change in circumstances with regard to dumping could reasonably be said to be of a lasting nature.

(120) The Commission observed that the volume of TCCA exports from the PRC to the EU increased from 21 800 tons during the original investigation period ⁽⁵⁸⁾, 1 April 2003 to 31 March 2004, to 32 000 tons in the RIP and thus increased by around 47 %.

(121) The Commission further noted that the data in each and every expiry review conducted since the imposition of the original measures has shown a significant increase in capacity and spare capacity in the PRC ⁽⁵⁹⁾. Based on the conclusions of the second expiry review, the production capacity of the Chinese TCCA industry was estimated at 278 000 tons with 130 000 tons spare capacity ⁽⁶⁰⁾, whereas the conclusions of the third expiry review point to a Chinese production capacity estimated at 755 000 tons, with a spare capacity of 510 000 tons ⁽⁶¹⁾.

(122) In light of the macro data that pointed to a lasting increase in the production capacity of the PRC industry, the evolution of the capacity of the cooperating exporting producers was investigated and verified. Since 2005, Puyang Cleanway added production capacity twice, investing [40-50] million RMB, more than doubling its final output of TCCA from approximately 30 000 to approximately 70 000 tons. In the same period, Jiheng tripled its production capacity from 10 000 to 30 000 tons through a major investment, and created the related exporting producer, Bai Kang. This evolution confirmed the trends shown by the macroeconomic data, as explained in the previous recital.

(123) The Commission also compared the evolution of the number of known TCCA producers in the PRC since the imposition of the original measures. The sampling form was sent to 12 known producers in 2005 ⁽⁶²⁾, while in the last expiry review the Commission contacted 73 potential exporting producers. This very strong increase in the number of TCCA producers in China since 2005 was corroborated by the United States International Trade Commission in its third review of Chlorinated Isocyanurates from China and Spain ⁽⁶³⁾.

⁽⁵⁸⁾ Recital 109, Commission Regulation (EC) No 538/2005 of 7 April 2005 imposing a provisional anti-dumping duty on imports of trichloroisocyanuric acid originating in the People's Republic of China and the United States of America (OJ L 89, 8.4.2005, p. 4, ELI: <http://data.europa.eu/eli/reg/2005/538/oj>).

⁽⁵⁹⁾ Recital 34-35 see footnote 4, recital 50 see footnote 9, recital 146 see footnote 12, Council Implementing Regulation (EU) No 1389/2011.

⁽⁶⁰⁾ Recital 50, Implementing Regulation (EU) 2017/2230.

⁽⁶¹⁾ Recital 146, see footnote 12, Implementing Regulation (EU) 2023/2757.

⁽⁶²⁾ Recital 101, See footnote 58.

⁽⁶³⁾ pg. IV-15, Investigation Nos 731-TA-1082-1083 (Third Review), https://www.usitc.gov/publications/701_731/pub5391.pdf.

- (124) In addition, the Commission determined in the third expiry review that the TCCA industry was subject in the PRC, both at national ⁽⁶⁴⁾ and regional ⁽⁶⁵⁾ level, to policies guiding the functioning of the sector that aim at the increase of production capacity. The branch of the chemical industry producing certain input materials for the production of TCCA, according to the 2019 Guiding Catalogue for Industry Structural Adjustment, was restricted for foreign participation ⁽⁶⁶⁾. The Commission came to the conclusion that such policies and restrictions distorted the costs of exporting producers in the PRC.
- (125) In view of the above and in view of the increased imports in the RIP at very low dumped prices, the Commission concluded that the requirement in Article 11(3) of the basic Regulation, i.e. the *'existing measure is ... no longer, sufficient to counteract the dumping'* was met.
- (126) Hebei Jiheng Group, Heze Huayi and Puyang Cleanway argued that the change in circumstances with regard to dumping could not reasonably be said to be of a lasting nature, see recital (14), claiming that there was no sufficient evidence submitted by the applicants of a change in the number of Chinese producers exporting to the EU and of the alleged overcapacity, further arguing that an increase in imports and certain general and non-binding government policies do not constitute sufficient evidence of a lasting change in circumstances.
- (127) The Commission noted that its findings with regard to the existence of lasting circumstances relating to dumping were not based on the request but on the results of the investigation, both at macro level and at the level of the cooperating exporting producers which represented 72 % of total exports to the Union in the RIP. The investigation revealed that there was a significant increase in exports, in number of exporting producers, in production capacity, and in spare capacity, see recitals (121) to (123). Though an increase in exports or the existence of relevant government policies, on their own, may not always constitute sufficient grounds for a finding of lasting circumstances relating to dumping, in this case the magnitude of the increase supported its findings as set out above. Accordingly, these arguments were rejected.

4. ANTI-DUMPING MEASURES

- (128) Pursuant to Article 11(3) of the basic Regulation and in accordance with Article 9(4) of the basic Regulation, an anti-dumping duty should be imposed on imports of the product concerned originating in the PRC at the level of the lesser of the injury margin on which the measures in force are based and the dumping margins found in the current interim review.
- (129) Bai Kang was related to Jiheng, which has its own individual margin since the original investigation in 2005, see recital (27). Bai Kang was set up in 2009, starting production in 2010. Bai Kang never made itself known to the Commission before the current investigation, hence has no individual injury margin. The injury margin of Jiheng, resulting from the original investigation, will, therefore, be imposed on both Jiheng and Bai Kang, being the exporting producers of the Hebei Jiheng Group, as the definitive anti-dumping duty.
- (130) In the original investigation in 2005, there was no sampling since all cooperating PRC exporting producers were investigated. The country wide injury margin for all PRC companies was based on the lowest injury margin found ⁽⁶⁷⁾ at provisional stage. The definitive anti-dumping duty was based on the dumping margins. In the present investigation, however, the imposition of the country wide injury margin (60,6 %), calculated in the original investigation as the anti-dumping duty, would have led to a situation where the duty for non-cooperating companies would be lower than the one for the cooperating exporting producers. In the original investigation, the injury margins of Jiheng and Puyang Cleanway were higher than the country wide rate. The Commission, therefore, imposed the higher of the two injury margins calculated in the original investigation as the country wide duty rate.

⁽⁶⁴⁾ Recital 75, See footnote 12.

⁽⁶⁵⁾ Recital 76, Idem.

⁽⁶⁶⁾ See footnote 64.

⁽⁶⁷⁾ Recital 187, Regulation (EC) No 538/2005.

- (131) On the basis of the above, the definitive anti-dumping duty rates, expressed on the CIF Union border price, customs duty unpaid, should be as follows:

Company	Dumping margin (%)	Injury margin (%)	Definitive anti-dumping duty (%)
Hebei Jiheng Group (Hebei Jiheng Chemical Co. Ltd. and Hebei Ji Heng Bai Kang Chemical Industry Co., Ltd)	164,2	62,6	62,6
Puyang Cleanway Chemicals Co. Ltd.	165,5	78,9	78,9
All other companies	201,3	78,9	78,9

- (132) To minimise the risks of circumvention due to the difference in duty rates, special measures are needed to ensure the application of the individual anti-dumping duties. The companies with individual anti-dumping duties must present a valid commercial invoice to the customs authorities of the Member States. The invoice must conform to the requirements set out in Article 1(3) of this Regulation. Imports not accompanied by that invoice should be subject to the anti-dumping duty applicable to 'All other companies'.
- (133) While presentation of this invoice is necessary for the customs authorities of the Member States to apply the individual rates of anti-dumping duty to imports, it is not the only element to be taken into account by the customs authorities. Indeed, even if presented with an invoice meeting all the requirements set out in Article 1(3) of this Regulation, the customs authorities of Member States must carry out their usual checks and may, like in all other cases, require additional documents (shipping documents etc.) for the purpose of verifying the accuracy of the particulars contained in the declaration and ensure that the subsequent application of the lower rate of duty is justified, in compliance with customs law.
- (134) Should the exports by one of the companies benefiting from lower individual duty rates increase significantly in volume after the imposition of the measures concerned, such an increase in volume could be considered as constituting in itself a change in the pattern of trade due to the imposition of measures within the meaning of Article 13(1) of the basic Regulation. In such circumstances and provided the conditions are met an anti-circumvention investigation may be initiated. This investigation may, inter alia, examine the need for the removal of individual duty rates and the consequent imposition of a country-wide duty.
- (135) The individual company anti-dumping duty rates specified in this Regulation are exclusively applicable to imports of the product under review originating in the PRC and produced by the named legal entities. Imports of the product under review produced by any other company not specifically mentioned in the operative part of this Regulation, including entities related to those specifically mentioned, should be subject to the duty rate applicable to 'All other companies'. They should not be subject to any of the individual anti-dumping duty rates.
- (136) A company may request the application of these individual anti-dumping duty rates if it changes subsequently the name of its entity. The request must be addressed to the Commission. It must contain all the relevant information enabling to demonstrate that the change does not affect the right of the company to benefit from the duty rate which applies to it. If the change of name of the company does not affect its right to benefit from the duty rate which applies to it, a regulation about the change of name will be published in the *Official Journal of the European Union*.
- (137) All interested parties were informed of the essential facts and considerations on the basis of which it was intended to recommend that the existing measures be maintained and that definitive anti-dumping duties be imposed on imports of TCCA from the PRC. They were also granted a period to make representations subsequent to the disclosure. The comments submitted by interested parties were duly considered, and, where appropriate, the findings have been modified accordingly.

(138) In view of Article 109 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council ⁽⁶⁸⁾ when an amount is to be reimbursed following a judgment of the Court of Justice of the European Union, the interest to be paid should be the rate applied by the European Central Bank to its principal refinancing operations, as published in the C series of the *Official Journal of the European Union* on the first calendar day of each month.

(139) The measures provided for in this regulation are in accordance with the opinion of the Committee established by Article 15(1) Regulation (EU) 2016/1036,

HAS ADOPTED THIS REGULATION:

Article 1

1. A definitive anti-dumping duty is hereby imposed on imports of trichloroisocyanuric acid and preparations thereof, also referred to under the international non-proprietary name (INN) 'symclosene', currently falling under CN codes ex 2933 69 80 and ex 3808 94 20 (TARIC codes 2933 69 80 70, 3808 94 20 20) and originating in the People's Republic of China.

2. The rates of the definitive anti-dumping duty applicable to the net, free-at-Union-frontier price, before duty, of the product described in paragraph 1 and produced by the companies listed below shall be as follows:

Country of origin	Company	Anti-dumping duty	TARIC additional code
People's Republic of China	Hebei Jiheng Group (Hebei Jiheng Chemical Co. Ltd. and Hebei Ji Heng Bai Kang Chemical Industry Co., Ltd.)	62,6 %	89XG
People's Republic of China	Puyang Cleanway Chemicals Co. Ltd.	78,9 %	A628
People's Republic of China	All other companies	78,9 %	A999

3. The application of the individual duty rates specified for the companies mentioned in paragraph 2 shall be conditional upon presentation to the Member States' customs authorities of a valid commercial invoice, on which shall appear a declaration dated and signed by an official of the entity issuing such invoice, identified by his/her name and function, drafted as follows: 'I, the undersigned, certify that the (volume) of (product under review) sold for export to the European Union covered by this invoice was manufactured by (company name and address) (TARIC additional code) in [country concerned]. I declare that the information provided in this invoice is complete and correct.' If no such invoice is presented, the duty applicable to all other companies shall apply.

4. Unless otherwise specified, the provisions in force concerning customs duties shall apply.

⁽⁶⁸⁾ Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (OJ L 193, 30.7.2018, p. 1, ELI: <http://data.europa.eu/eli/reg/2018/1046/oj>).

Article 2

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 4 November 2025.

For the Commission
The President
Ursula VON DER LEYEN
